APRIL 20, 1964

THE UNIVERSITY OF MICHIGAN
PERIODICAL READING ROOM

AGRICULTURAL RENAISSANCE IN THE FERTILE CRESCENT

THE U.S. FOOD DONATION PROGRAM OVERSEAS

FOREIGN AGRICULTURE

Including FOREIGN CROPS AND MARKETS

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Including FOREIGN CROPS AND MARKETS

APRIL 20, 1964

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Middle East farmers examine the new wheat crop on a demonstration farm. How the countries in the Fertile Crescent are trying to boost productivity is told in the article on the opposite page.

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DEPOSITED BY THE
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The Fertile Crescent Moves Toward Agricultural Renaissance

Irrigation plus modern technology are helping these Middle East nations to regain some of the fertility that supported their early civilizations.

By HENRIETTA HOLM
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In ancient times the Fertile Crescent, a thin arc of steppeland between northern mountains and southern desert wastes, was a favored farming and grazing area, the birthplace of some of the world's earliest peoples, and a convenient land route between the Mediterranean Sea and the Persian Gulf.

Today the Fertile Crescent countries—Syria, Lebanon, Israel, Jordan, and Iraq—are all moving steadily, if slowly, toward agricultural renaissance. In the last 15 years production has increased significantly, but future economic viability depends in part on continuing gains in agriculture. Furthermore, nearly two-thirds of the 19 million people in the five countries obtain their living from agriculture, while many others work at processing and trading farm products.

The key to the area's agricultural growth is water. Summers are long and rainless, and while precipitation in other seasons can be fairly heavy, it fluctuates from year to year in amount and timing, and recurrent droughts are common.

The area, however, would not have been named the Fertile Crescent had it been a waterless land. Two great river systems, the Euphrates and the Tigris and their tributaries, flow through much of the northern and eastern part of the arc. And there are smaller watercourses, such as Lebanon's Litani River; the Orontes, flowing north from Lebanon into Syria; the Jordan, emptying into the Dead Sea; the Yarmuk, which separates Syria and Jordan; and numerous coastal streams in the west. Many of these sources of life-giving water have been underexploited, but most of them are international, so that development of irrigation programs requires collaboration or consent of all participating nations.

While irrigation is salient in the area's development programs, the need to modernize farm production in order to meet both home and export demand is well recognized. Some gain can be expected through expansion of cropped area; but equally important are programs for the refinement of farming technologies.

SYRIA

Nearly half of the 43 million acres of cultivable land in the Fertile Crescent are in Syria, where agriculture accounts for half the gross national product compared with an average of less than 30 percent in the other four countries. Mainly through mechanization and irrigation, the Syrian farm economy has grown remarkably since World War II, when acute food shortages forced production to expand onto unused land. Its cultivated area—less than 8 million acres including fallow in 1945—doubled by 1957.

Syria's agriculture benefitted from the cotton boom of the early 1950's. By 1957 acreage had expanded from 200,000 acres to 625,000; and of the 720,000 acres planted to cotton this year, more than 75 percent are irrigated. Expansion has also been notable in the mechanized production of wheat and barley. In 1948 wheat acreage totaled 2.2 million acres and barley, 900,000. Last year the acreage figures were 3.8 million acres for wheat and 1.7 million for barley.

Syria is working toward even greater expansion of its cropland. Its Five-Year Development Program calls for

Poultry plant near Beirut, Lebanon

an investment of some $750 million, more than half to be used to boost agricultural export. Highlighted is the extension of the irrigated area to roughly 1.85 million acres, an increase of about 50 percent over the area served in 1960.

The program also aims at higher yields per acre through use of good quality seeds, better fertilizers, improved pest control measures, and agricultural extension services. These measures are expected to bring a 50-percent gain in production and a 35-percent rise in farm income. Important too is the trend toward diversification, with more emphasis on livestock, poultry, tobacco, vegetables, citrus fruits, olives, and other food crops.

LEBANON

Lebanon has 9 percent of the Fertile Crescent's population and less than 2 percent of its farmland. Two central mountain ranges make fractions of the cultivable plains, so that its agricultural gains of the last 20 years have stemmed from intensified farming and the improvement of soils and crops rather than from expanded acreage.

By 1960 nearly 180,000 acres, or about a third of the cultivable land excluding fallow, had been partly or fully irrigated—principally through privately installed irrigation works—compared with only 74,000 acres in 1949. Now underway is the Litani River irrigation project which will serve about 53,000 acres when completed in 1965, and smaller schemes throughout the country which will supply water to an additional 40,000 to 50,000 acres.

Cultivated terraces to hold hillside soil now cover more than half of the land in crops. Also substantial progress has been made in mechanized farming; and the use of chemical plant nutrients has risen from a yearly average of 4,000 tons in 1949-53 to 16,000 tons in 1962.

All these measures to boost agricultural yields have had their impact on Lebanon's crops, particularly in fruits, which lead in value. Citrus output increased from 65,000 tons a year in 1948-50 to 136,000 tons in 1963. And between 1952 and 1955 only about 25,000 tons of apples were harvested annually, whereas the 1961-63 average was 70,000 tons. With updated production and marketing techniques, the country's poultry and egg industries have also expanded greatly since the 1950's.

ISRAEL

Israel is lower in altitude, more eroded, and more arid than Lebanon, but liberal injections of advanced agricultural technology, muscle, and money have brought about a phenomenal increase in the value of its agricultural output. By 1962 it was more than 20 times the $15 million realized in 1948, the year which saw the creation of the State.

Today Israel's cultivated area (included as many times as sown) exceeds a million acres compared with about 400,000 in 1948. Its agriculture has progressed from an early cropping system based on rainfed winter cereals to mixed farming on irrigated land, with diversified rotations to ration water and labor. Where water is adequate as many as three crops a year can be produced. The main crops are citrus and other fruits, vegetables, milk, poultry, and eggs. Peanuts, cotton, tobacco, and sugarbeets are also grown as a means of conserving foreign exchange.

Outstanding in Israel's agricultural growth has been the extension of irrigated farmland—from a start of about 75,000 acres in 1948 to more than 370,000 acres last year, and so far, by water from local streams and rivulets. But most of the water supply and most of the cultivated areas are in the northern third of the country; these are in close to maximum use and the country's population is expanding at a rate of about 5 percent a year—high even for West Asia. Besides the population pressure, defense considerations—in the Israeli view—make it necessary to settle the southern two-thirds of the country, the Negev Desert. Were water to be had, here would bloom fertile stretches of land wide enough for mechanized cultivation, and new towns and industries could be built.

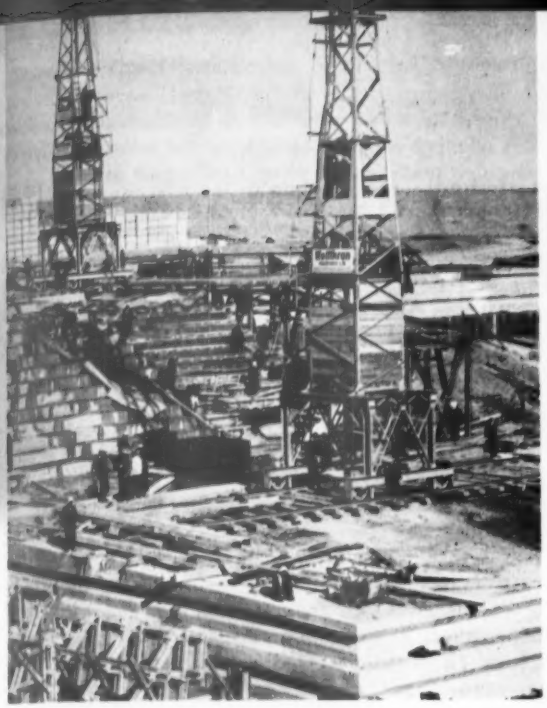
Israeli scene: combination of irrigated crops and artificial fishponds. Irrigation has helped country expand its cultivated area to over a million acres.

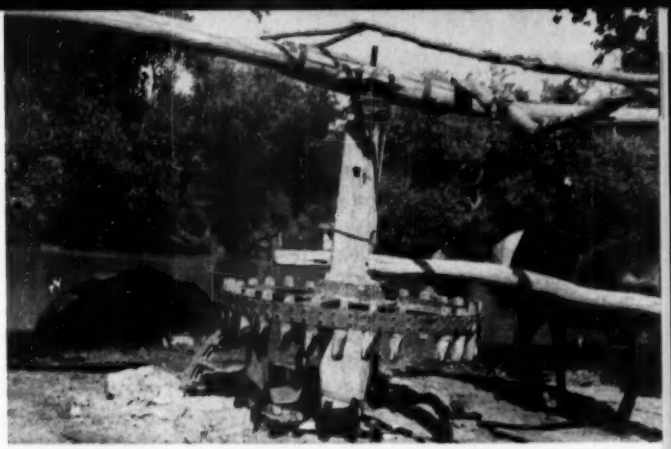
The stumbling block is the Jordan waters dispute that has been going on for years and is still no nearer settlement. Israel's boundaries take in Lake Tiberias, a natural reservoir of the 200-mile long Jordan River to which Syria, Lebanon, and Jordan also have legitimate claim since its headwaters rise in Syria and Lebanon, and the river flows southward to the Dead Sea, between Jordan and Israel.

To irrigate the Negev, Israel has committed itself to putting into use its nearly completed water carrier system extending from the northern shore of Lake Tiberias southwest across the country to join two existing Yarkon River-Negev pipelines. The maximum flow in the Tiberias-Negev conduit, 320 million cubic meters a year, would approximate the total amount of water that, under the 1955 Johnstons Plan, Israel might claim, but would greatly exceed the 190 million cubic meters that was allotted to Israel for Negev irrigation. Since the Johnston Plan was rejected by the Arab countries as politically and economically undesirable, Israel's withdrawal of water at Lake Tiberias might further delay agreement between the riparian States.

JORDAN

Jordan, which shares the de facto armistice line with Israel on the west, is homeland to 10 percent of the population of the Fertile Crescent, but has only 6 percent of its cultivable land. Here again history has shown that adequate supplies of water for agriculture cannot be left to nature. Even in good years production is far below consumption needs, and in 1963 the century's worst drought reduced the index of farm output one-third below the previous season's.





Above, construction of a flood control scheme on the Tigris River, to irrigate 14 million acres of Iraq's desert. Right top, primitive water-lift in Syria, and below, pumping installation on Syria's Khabur River.

Normal rainfall in Jordan averages less than 8 inches a year in more than 85 percent of the country. Eighty percent of the land is too dry to support even rough grazing; the remaining 4 million acres include forests, farmland (much of it marginal), and grazing areas. Full or partial irrigation amounts to little more than 5 percent.

Still, measurable progress is being made. While Jordan's potential for irrigation is modest, water is being diverted from the Yarmuk River, a tributary of the Jordan at the boundary of Syria, to irrigate land further south. Other irrigation projects are in process throughout the country. (Jordan's long-range development plans call for irrigation of a total 150,000 acres by 1967.) Mechanization is increasing too; in 1962 farm tractors numbered over 1,300, more than four times the 1955 total, and the use of chemical fertilizers, new to the country, ranged around 5 pounds of nutrients per acre compared with 1 pound a few years earlier. Institutional reforms are already producing well-trained Jordanian extension personnel.

All of this, it is hoped, will help Jordan realize its 1970 goal of raising crop production 65 percent above the 1959-61 level, and the output of meat and fish, 75 percent. Currently, wheat and barley are the country's leading crops but the spread of irrigation has stimulated output of vegetables, fruits, rice, and sugarcane.

IRAQ

The former Mesopotamia, or the "land between the rivers," Iraq has 43 percent of the cultivable area in the Fertile Crescent and nearly as great a proportion of its people. Agriculture supports three-quarters of the population but falls considerably below oil—the major source of income—in its contribution to the gross national product. At the same time, oil revenues have paid for extensive development programs of benefit to the country's farmers.

About 19 million acres or some 17 percent of Iraq's land area, are cultivable, and in nomal years the production of basic farm commodities is sufficient for home needs. Farm products make up about 80 percent of the value of all exports except oil. Wheat and barley are the major rainfed crops, although barley is also grown under irrigation, along with cotton. Iraq leads the world in date production, a crop that is also very dependent on a good water supply.

Some type of irrigation is already used on nearly half of Iraq's cultivable land; in fact, diversion of river water is centuries old in this country. But while the Tigris and Euphrates and their tributaries provide quantities of water for agriculture in eastern Iraq, much of the northern cropland is rainfed, and over 45 percent of the country is desert, or desert steppe, of which only 3 percent can be grazed in the spring. One of the country's most serious farm problems is over-abundance of range animals in relation to low availability of good grazing and water.

While no new production schedules have been announced since the revolution of February 1963, Iraq's economic planners have generally stressed massive irrigation projects as the primary means of raising production. In the 1961-66 development plan some $316 million were allocated to more than 50 major projects for agriculture, and when the 29 related to water regulation and storage are carried through to completion, the country's irrigated land will be increased by 60 percent. Millions of dollars have already been spent in water control systems to reduce

damage from spring floods in the areas bordering the rivers.

Not as much progress has been made in updating other aspects of Iraq's agriculture. Tractor stations have been established but mechanization is limited by lack of operational and maintenance skills. Moderate amounts of pesticides have been imported but little fertilizer, either animal or chemical, is now in use. And plans for land redistribution and related programs have progressed less rapidly than had been anticipated.

For the Fertile Crescent as a whole there are long-existent obstacles to be overcome. Patterns of land tenure are archaic. There is a dearth of technical know-how, and facilities for reasonable farm credit are scant. Perhaps overriding all as a barrier to progress is the none-too-placid political climate. Its impact on agriculture is exemplified in the current dispute over division of the Jordan waters. Distribution of the water of the Euphrates River—mainstay of much of Iraq's agriculture and colossus of Syria's irrigation plans—could prove troublesome as well.

Yet despite these obstacles, the five countries are moving agriculturally into the 20th century—gradually, it is true. A few restricted areas have achieved modernity, but others still have a long way to go. Rainfed agriculture still predominates. And while output is expanding, it is still well below the region's potential. The future may well lie in a decrease in low-income pastoral activities and an increase in high-value industrial and food crops, but with cultivable areas so closely restricted, such a program must find its base in more plentiful, man-controlled supplies of water.

Few Changes Seen in Wheat Export Program

"World" prices will continue to govern export sales prices of U.S. wheat when the new voluntary wheat certificate program, authorized by the Agricultural Act of 1964, goes into effect July 1.

Exports of wheat are not expected to be materially affected by the new program, although export subsidy payments are expected to be substantially reduced and the exporter's investment in wheat inventories will be reduced by reason of lower prices.

The new wheat program provides payments to cooperating producers who divert wheat acres to conservation uses. Cooperators also are eligible for price support based on a national average of $1.30 a bushel—and for negotiable domestic marketing certificates with a value of 70 cents per bushel for 50 percent of the farm wheat marketing allocation, and export certificates having a value of 25 cents a bushel for the other half of the allocation.

No restrictions are placed on sales; the program is voluntary. A farmer, whether he agrees to participate in the program or not, is free to sell his entire production to anyone, at any time, and for such prices as he can get.

Exporters will need to buy 25-cent-per-bushel export certificates for all wheat exported after the program becomes effective on July 1. To be eligible for export, wheat processed into flour will require a 70-cent-per-bushel domestic certificate.

Export payments will continue to be made when the market price of wheat and flour, plus the cost of certificates, raise U.S. export prices above "world" prices. It is expected, however, that the new wheat program will mean substantially reduced outlays from the U.S. Treasury for wheat export payments. Export subsidy payments after July 1 will be considerably less than the average of 60 cents per bushel paid so far in 1963-64 to maintain the export price of U.S. wheat at levels competitive with world prices.

New Act To Aid Mills and Cotton Growers

The new Agricultural Act of 1964 contains a number of important provisions which will affect cotton during the 1964 and 1965 marketing seasons. Most of the provisions, however, relate to domestic aspects of the cotton program rather than to the exportation of raw cotton.

Of importance to cotton textile mills is a provision which will affect their ability to meet the competition from imported cotton textiles. This takes the form of an interim Cotton Equalization Payment-in-Kind Program, to begin immediately and run through July 1964, under which the cost of U.S. raw cotton to domestic mills will be effectively lowered by 6.5 cents per pound. This action also strengthens the position of cotton relative to manmade fibers.

Commencing on August 1, the domestic support price for middling 1-inch cotton will be lowered from a level of 32.47 cents a pound to 30.0 cents, and the remaining differential between the domestic mill price and the export price will be eliminated. Details of the basis on which cotton will be available for export and for domestic consumption after August 1, 1964, will be announced at a later date.

Europe's Pork Supplies Up, Beef Still Short

Western Europe has recovered somewhat from its severe scarcity of pork. The beef shortage, however, is expected to continue for some time, with unusually heavy current slaughter for veal compounding the problem.

The shortage of pork, which enabled the United States to export sizable quantities of pork carcasses and hams to Western Europe, had eased as of late March. At that time, prices had dropped from their unusually high levels and the levy on imports from third countries had been increased. Importers and processors, especially in the Netherlands, had become more selective for both quality and price. Though pork is expected to remain in short supply for another 6 months or so, the possibility for further U.S. shipments to Western Europe is at this time uncertain.

In general, consumer demand for pork and beef is expected to continue strong throughout this area, even though there has been some consumer resistance to recent high prices. Apparently, European consumers tend to spend a fairly constant part of their disposable income for meat, and the amounts consumed are tied rather closely to price changes.

The Common Agricultural Policy for pork, in effect since July 30, 1963, has had little effect on U.S. exports of variety meats.

U.S. Fat-in-Feed Promotion Underway in Japan Seen Boosting U.S. Tallow Sales by One-Third

The National Renderers Association's recently opened market development office in Tokyo has begun the first phase of a new tallow-in-feed promotion aimed at a 30-percent increase in U.S. tallow sales to Japan.

The promotion may mean recovery of record-level U.S. tallow sales to Japan reached in 1961, before synthetic detergents began to cut into the U.S. tallow-in-soap (laundry soap) market —mainstay of exports to that country.

By 1962 U.S. sales had dropped to one-third of the 403 million pounds exported the previous year. Though sales climbed back to 358 million pounds in 1963 ($23 million)—reflecting stepped-up demand for toilet soap and other products—the NRA is proceeding on the assumption that these uses will not offset reduced tallow takings for laundry soap in the foreseeable future.

The new U.S. program emphasizes the economic advantages of blending high-energy fat in mixed livestock rations by holding feeding demonstrations under Japanese conditions. The concept of tallow-in-feed, though widely accepted by the U. S. livestock industry since the mid-1950's, is almost entirely new to the Japanese.

Demonstrations for the first phase are being carried on at some 15 private poultry farms operated by members of the Japanese Scientific Feed Association, which is cooperating with the NRA and FAS in the program. Because of the brief 8-10 week period needed to bring broilers to maturity, the initial poultry demonstrations will terminate about July 1, when results will be analyzed and distributed to all Japanese poultry growers.

Phase II, to begin in mid-summer, will demonstrate the effectiveness of tallow in swine and beef cattle rations. These feed tests will be run at 17 research centers of the Japanese Scientific Feed Association, with possible participation by the Japanese Feed Manufacturers Association.

Assisted by U.S. promotion, expansion of Japan's mixed feed industry (growing 40 percent each year) would indicate a ready market for 100,000 tons of U.S. tallow per year, in addition to present sales.

A side benefit of market development efforts would be higher Japanese meat demand resulting from the lowered production costs. At 12 pounds per capita, Japanese meat consumption has a long way to go to approach U.S. levels of over 200 pounds.

In addition, this is almost exclusively a U.S. market. The U.S. tallow industry can provide a competitively priced quality product and can assure Japanese buyers of a steady supply.

P.L. 480 Program for Lentils

U.S. lentils for the first time are eligible for export under Titles I and IV of Public Law 480.

The move is seen opening new outlets for heavy domestic supplies of U.S. lentils, brought about by a five-fold increase in output since 1958.

Vegetable Oils Now Eligible For Export Under Barter

Privately owned soybean and cottonseed oils for the first time are now eligible for export through barter transactions involving procurements from abroad for U.S. Government agencies. The agencies will pay the Commodity Credit Corporation on a current basis in dollars. This is the first privately owned U.S. agricultural commodity to be so eligible since 1953-54 when a small quantity of U.S. tobacco was similarly exported.

The move will not only help stem the outflow of dollars, but will be of major benefit to the soybean trade which, as a result of big U.S. sales of soybean meal, holds heavy supplies of soybean oil. It will have less effect on the cottonseed industry, where under the cottonseed price support program, any surplus of cottonseed oil acquired by CCC could and can still be moved abroad under barter and other government export programs.

Under the new program, privately owned vegetable oils can be exported under barter to over 100 countries for which Commodity-Country designations have been established.

Venezuelans See U.S. Commodity Exhibits at Valencia Fair

Some 45,000 Venezuelans visited the U.S. pavilion at the Valencia Agricultural and Industrial Fair, March 14-19. This Dairy Society Intl. demonstration and sales booth was one of four U.S. commodity group exhibits, the others being the U.S. Feed Grains Council, Great Plains Wheat, Soybean Council of America.

Indian children getting U.S. milk

The 14-Year Record of the U.S. Food Donation Program Overseas

By JOHN J. MORIARTY
Program Development Division
Foreign Agricultural Service

In the 14 years that have passed since the U.S. food donation program began, almost 19 billion pounds of food commodities have been sent to needy and unfortunate people in most of the countries of the Free World. Only for a short period during the Korean War was the program halted.

This people-to-people program is based on the concept that foods come as a gift of the American people through the U.S. Department of Agriculture and U.S. private welfare and church-affiliated agencies and intergovernmental organizations. It is considered a vital part of the Food for Peace Program.

During the current fiscal year, 15 voluntary agencies and 2 intergovernmental organizations are participating. Catholic Relief Services, CARE, Church World Service, and United Nations Children's Fund distribute over 90 percent of all donations; 13 smaller organizations account for the balance.

In over 100 countries

Altogether, 230 programs in 114 foreign countries have been approved to distribute approximately 3.4 billion pounds of food commodities during fiscal year 1964. These commodities currently include nonfat dry milk, butter, butter oil, ghee, vegetable oil in the form of salad oil and shortening, wheat, wheat flour, corn, cornmeal, bulgur, and rolled wheat.

Approximately 3 billion pounds have been donated to the agencies for distribution to 72.7 million eligible recipients. Somewhat over half of these recipients are children who receive U.S. food donations in approved nonprofit school lunch programs.

Recent legislation requires the Secretary of Agriculture to assure himself that in any school feeding programs undertaken outside the United States, there will be student participation in the financing of such programs on the basis of ability to pay.

At the present time 730 United States citizens are employed by the distributing agencies in overseas posts assisted by approximately 7,000 indigenous personnel.

Agricultural Act of 1949

This vast program has since its inception in 1949 been the direct responsibility of the U.S. Secretary of Agriculture, and since December 1963 has been administered by the Foreign Agricultural Service. The program grew out of authorization contained in Section 416 of the Agricultural Act of 1949, as amended. The Section is usually called Title III, the title of Public Law 480 under which it is now incorporated.

While the Secretary of Agriculture has overall responsibilty for this program, the Agency for International Development under an agreement with the Department has been delegated responsibility for field administration, approval of agencies' country program Plans of Operation and Estimates of Requirements and determining compliance with program regulations.

Donations from CCC commodities

Section 416 was the original donation authority. In order to prevent the waste of food commodities, acquired through price support operations which were found to be in danger of loss through deterioration or spoilage before they could be disposed of in normal domestic channels, Congress authorized the Secretary and the Commodity Credit Corporation under certain conditions to donate such commodities to private welfare organization for the assistance of needy people outside the United States. Only those commodities which were in excess of those required to supply higher priority requirements specified in the Act could be offered for foreign donation.

Early in 1950 the Department first announced the availability of commodities for donation to qualified agencies. These were private welfare organizations registered with the Advisory Committee on Voluntary Foreign Aid of the State Department.

Commodities available consisted of nonfat dry milk, dried whole eggs, butter, and cheese. The CCC turned

over the commodities free of cost to eligible agencies at the point of storage in the United States, and agencies arranged for all subsequent transportation to ultimate foreign destinations. The requirement that agencies bear all shipping costs considerably restricted the quantities of commodities that the agencies might otherwise have been able to utilize in their programs. Even so, from early 1950 until suspension of the program in midyear at the beginning of the Korean War, approximately 364 million pounds of food commodities were donated to 11 participating agencies for distribution to needy people in 62 countries.

Expansion of program

In 1954 Congress removed the requirement that commodities be in danger of loss, and permitted CCC to reprocess, package, and pay transportation costs to U.S. ports. In 1956 further amendments permitted CCC to pay ocean freight and to process food commodities into a form suitable for home or institutional use. As a result of these amendments, agencies were able to greatly increase their use of Section 416 commodities to the extent that from 1954 through 1958 donations totaled approximately 4.5 billion pounds.

Other amendments specifically defined eligible agencies as U.S. nonprofit voluntary agencies registered with the Advisory Committee on Voluntary Foreign Aid of the Agency for International Development and included intergovernmental organizations.

Recently issued revised Regulations provide that each agency prepare and submit a program Plan of Operation and an Estimate of Requirements for each country in which is proposes to operate a program; that the voluntary agency appoint an American citizen resident in the country, or in a nearby country approved by AID, to represent it and supervise and control the program; that the agency determine the eligibility of recipients of commodities and that such commodities be distributed without regard to nationality, race, color, religious or political beliefs of the recipients.

These commodities are labeled in English, and insofar as practicable in the language of the country of distribution, to include the following: "Donated by the people of the United States of America. Not to be sold or exchanged."

Commodities are made available to agencies free of cost in carload lots at U.S. ports. Title to commodities passes to agencies at that point. Agencies arrange for shipment to foreign destinations and in most cases are reimbursed for ocean transportation costs by the U.S. Government. United Nations Children's Fund, an intergovernmental organization, arranges for payment of transportation.

Receiving gifts of U.S. food are (clockwise) a family in Hong Kong, children being cared for at a Philippine convent, and Mediterranean women. All such food gifts are clearly labeled, "Donated by the people of the United States."

Outlook for U.K. Grain Imports

The United Kingdom is expected to import 1,750,000 long tons of wheat and flour (in terms of wheat) and 1,950,000 of feed grains during February-June of the current fiscal year. This will bring total import for the year to 4,450,000 tons for wheat and flour and 4,450,000 for feed grains, compared with 4.2 million and 4.8 million, respectively, in fiscal 1963.

U.K. purchases from the United States, which in July-February were about 300,000 tons above those in the same period of fiscal 1963, should continue strong. Takings of U.S. feed grains—especially corn—are expected to step up somewhat from their poor showing in the first of the year. During July-February, they were down almost 400,000 tons from shipments in the 1963 period.

Germany Extends Import Tenders for Fruits, Vegetables

The Federal Republic of Germany has announced extensions of the following import tenders: Canned cherries in containers, content of which is less than 5 kilograms, from the United States and Canada; canned green peas and canned green beans, from a number of countries, including the United States.

Applications for licenses on all three tenders may be submitted until the exhaustion of the undisclosed value limit but not later than May 5, 1964. Import licenses will be valid until May 15, 1964, and validity of licenses already issued will be extended, on application, until then.

Spanish Group Has Olive-Marketing Problems

Spain's "Central de Ventas"—a group formed last year at Seville to set and enforce minimum export prices for table olives—is having financial troubles. Many members have been forced to sell below the group's minimum export prices to obtain operating capital or to satisfy creditors. There have been reports of stuffed Manzanillas and stuffed Queens being sold as much as 20 and 40 percent respectively, below the established levels. This seems to indicate that the minimum prices are unrealistic.

Industry members predict that the group will not be able to reorganize, at least not under the present conditions of rising labor costs and low export prices, and that the government may step in to establish minimum prices. However, members of the marketing group assert that only those persons having financial difficulties are selling low and that ones with stronger backing are holding out for the established minimums.

India's Cashew Prices Remain Strong

Strong world demand for cashews helped to push prices on cashew kernels to a peak of 57 cents per pound (c.&f. New York) in December 1963, despite heavy cashew production in India and Africa. This was well above the 1962 peak of 46.5 cents in May.

The December high was unusual in that it came during the harvest season—when trade in raw nuts is heavy and prices usually begin to decrease. The seasonal price decline did begin early this year, but on January 1 and February 1, prices were still substantially above those of a year ago.

CASHEW PRICES ON THE FIRST DAY OF EACH MONTH, JANUARY 1962-FEBRUARY 1964

Month	1962	1963	1964
African raw nuts: [1]	*Dol. per short ton*	*Dol. per short ton*	*Dol. per short ton*
January	112.50	107.81	151.88
February	112.50	140.62	145.31
March	105.00	105.00	—
April	131.25	131.25	—
May	131.25	125.62	—
June	129.38	118.12	—
July	127.50	111.56	—
August	114.38	118.12	—
September	105.00	131.25	—
October	97.50	136.88	—
November	105.00	137.81	—
December	105.94	161.25	—
Kernels: [2]	*Cents per lb.*	*Cents per lb.*	*Cents per lb.*
January	43.0	43.0	54.5
February	44.0	42.0	52.5
March	43.0	44.0	—
April	45.0	44.5	—
May	46.5	45.0	—
June	46.0	44.5	—
July	46.0	43.5	—
August	44.0	46.5	—
September	43.5	48.5	—
October	43.0	53.0	—
November	44.0	54.0	—
December	44.0	57.0	—

[1] C.i.f. Cochin. [2] In 25-lb. tins, c.&f. New York.

Sales to East European nations have increased both in volume and proportion. The Communist countries now account for 27 percent of India's total cashew exports. During January-November 1963 exports to the USSR rose 57 percent from those in the same period of 1962. There have been rumors of some diversion of cashews from Communist countries to Western markets, but so far these cannot be substantiated. According to estimates based on 10-month figures, all major cashew importers in the West, except the United Kingdom, bought more cashews from India in 1963 than in either 1961 or 1962. Exports to the United Kingdom in 1963 are estimated at 2,750 short tons—down 4 percent from 1962 and 26 percent from 1961.

INDIA: EXPORTS OF CASHEW KERNELS, CALENDAR YEARS 1961-1963

Destination	1961 [1]	1962	1963 [2]
	Cases [3]	*Cases* [3]	*Cases* [3]
United States	1,117,742	1,141,600	1,300,000
Eastern Europe:			
USSR	167,311	232,627	370,000
East Germany	75,221	153,459	150,000
Other Communist areas	13,901	67,566	80,000
Subtotal	256,433	458,652	600,000
United Kingdom	149,339	114,755	110,000
Canada	71,777	61,904	85,000
Australia	58,089	63,615	85,000
Others	150,244	202,757	170,000
Total	1,803,624	2,038,283	2,350,000

[1] Revised. [2] Estimated, based on a comparison of Jan.-Nov. 1962 export data with data for the same period in 1963. [3] 50 lbs. net.

India's 1964 cashew crop is forecast at a new record of 90,000 tons, unshelled, compared with the previous peak,

in 1963, of 84,000 tons. Imports from East Africa are forecast at 185,000 tons—the highest on record, and exports and domestic consumption are also expected to reach record levels. High domestic prices for other nuts—especially almonds—are expected to cause a sharp increase in India's domestic use of cashews.

INDIA: CASHEW SUPPLY AND DISTRIBUTION, 1962-64

Item	1962 [1]	1963 [2]	1964 [3]
	Short tons	*Short tons*	*Short tons*
Supply:			
Beginning stocks (January 1)	20,000	11,500	16,000
Production	73,000	84,000	90,000
Imports	144,500	182,000	185,000
Total supply	237,500	277,500	291,000
Distribution:			
Exports (raw equivalent)	217,500	250,500	265,000
Domestic disappearance	8,500	11,000	16,500
Ending stocks (December 31)	11,500	16,000	9,500
Total distribution	237,500	277,500	291,000

[1] Revised. [2] Preliminary. [3] Forecast.

Norway Sells More Cheese, Less Butter

Norway's cheese exports in 1963 totaled 30 million pounds—9 million above those in the preceding year. The EEC accounted for approximately 46 percent of total sales in both years, with West Germany taking 8 million pounds compared with 5 million in 1962; Italy, 5 million (4 million); and Belgium, 745,000 (629,000). Shipments to the United Kingdom increased from 6 million pounds to almost 8 million. Japan, which became an important market in 1962 with the purchase of 2 million pounds, took more than 3 million in 1963. Sales to the United States were up slightly, from 716,000 pounds to 1 million.

Butter exports continued their downward trend of recent years, dropping 26 percent to 8 million pounds. Shipments to the United Kingdom—major market for Norwegian cheese—declined to 3 million pounds from 6 million in 1962, while those to West Germany—second most important outlet—fell to 2 million from 4 million. Among the traditional markets, only Switzerland made substantially larger purchases—1 million pounds compared with 336,000 in 1962.

Finland's Outlook for Dried Milk Trade

Finland expects to produce over 80 million pounds of dried milk during 1964. Preliminary estimates indicate that Finland will sell approximately 15 million abroad, with about 10 million of this going to the USSR. Rumania will take about 1 million pounds and Belgium and the United Kingdom, slightly smaller quantities. No announcement has yet been made as to the market for the remainder.

India Exported a Record Amount of Tobacco in 1963

India's exports of unmanufactured tobacco in 1963 set a new record of 150 million pounds, compared with the previous high of 143 million in 1962. Shipments of flue-cured—the most important kind of tobacco entering India's foreign trade—totaled 114.5 million pounds, at an average export price equivalent to 36 U.S. cents per pound. Although flue-cured shipments dropped a little from the 121 million pounds of 1962, the value increased substantially because of 1963's higher average price for exports.

Major destinations for Indian flue-cured tobacco in 1963, in order of importance, included the United Kingdom, the USSR, Yugoslavia, East Germany, Japan, Belgium, the Netherlands, and Poland. The United Kingdom, largest foreign market, took 37.4 million pounds, at an average price of 58.4 cents per pound compared with 40 million in 1962, at 55.5 cents. The USSR purchased 33.9 million pounds, at an average price of 25 cents, and Yugoslavia, 13.6 million, at 26 cents. Exports of Indian flue-cured to Soviet Bloc countries last year totaled 42.5 million pounds, compared with 55.5 million in 1962.

TOBACCO, UNMANUFACTURED: INDIA, EXPORTS BY COUNTRY OF DESTINATION, 1962-1963

Destination	1962		1963	
	Quantity	Av. price per lb.	Quantity	Av. price per lb.
	1,000 pounds	*U.S. cents*	*1,000 pounds*	*U.S. cents*
United Kingdom	39,998	55.5	37,392	58.4
USSR	34,747	20.5	33,931	25.0
Yugoslavia	8,362	11.1	13,589	26.0
Germany, East	7,684	32.7	4,153	36.4
Japan	23	21.7	3,386	33.6
Belgium	2,613	16.9	3,133	19.0
Netherlands	2,970	16.1	2,851	17.8
Poland	11,671	9.8	2,612	22.9
Singapore	1,806	32.9	2,548	31.7
France	2,583	14.8	2,231	12.5
Hong Kong	1,654	15.3	1,414	17.3
Hungary	1,206	.9	1,239	13.1
Malaya	238	30.7	842	32.2
Ivory Coast	(1)	—	767	9.0
Czechoslovakia	200	55.3	612	48.2
Senegal	(1)	—	546	9.5
Algeria	463	11.1	441	14.8
Ghana	250	26.2	435	31.6
Others	4,816	—	2,405	—
Total	121,284	30.6	114,527	36.1

[1] Included with others.

Israel's Imports of Tobacco Rise

To offset lower availabilities from its blue-mold-damaged tobacco crop, Israel in 1963 increased its tobacco imports to 3.4 million pounds from 1962's 2.8 million. Greece was the largest source of imported leaf in both 1962 and 1963. Other principal suppliers included Turkey, Bulgaria, and the United States.

TOBACCO UNMANUFACTURED [1] ISRAEL, IMPORTS BY COUNTRY OF ORIGIN, 1962 AND 1963

Origin	1962	1963
	1,000 pounds	*1,000 pounds*
Greece	1,025	888
Turkey	553	822
Bulgaria	437	725
United States	454	542
India	—	193
Yugoslavia	196	165
Others	102	53
Total	2,767	3,388

[1] Includes tombac.

Rhodesian Flue-Cured Auction Prices

Auction sales of 1964 crop flue-cured tobacco in Salisbury, Southern Rhodesia, totaled 18.8 million pounds for the first 3 weeks ending March 26, at an average price equivalent to 37.0 U.S. cents. During the same period last year, sales were 16.3 million pounds, at an average price of 40.7 cents.

Sweden's Tobacco Imports Down

Sweden's imports of unmanufactured tobacco during 1963 totaled 19.2 million pounds, 4.5 percent below the 20.1 million imported in 1962.

Biggest drop was in shipments from the United States, down to 11.7 million pounds, or 61 percent of total, from 14.7 million. This was partially offset, however, by larger imports from the Rhodesias-Nyasaland, India, Cuba, Indonesia, Turkey, Canada, and Mexico.

In 1963, average import prices per pound for leaf tobacco from the various suppliers, in terms of U.S. cents, were as follows: the United States, 83.9 cents; the Rhodesias-Nyasaland, 54.4; Greece, 93.4; Yugoslavia, 80.2; India, 30.8; Canada, 61.4; and Mexico, 46.4.

TOBACCO, UNMANUFACTURED: SWEDEN, IMPORTS BY COUNTRY OF ORIGIN, 1961-63

Country	1961	1962	1963 [1]
	1,000 pounds	*1,000 pounds*	*1,000 pounds*
United States	18,549	14,707	11,714
Rhodesias-Nyasaland	1,510	1,438	1,853
Greece	2,817	1,102	1,046
Yugoslavia	463	805	827
India	465	99	685
Cuba	9	5	632
Indonesia	295	66	498
Turkey	320	388	490
Canada	—	95	372
Mexico	9	258	343
Italy	549	333	80
Brazil	—	607	23
Others	265	231	634
Total	25,251	20,134	19,197

[1] Preliminary; subject to revision.
Customs office.

Ireland Imported Less Tobacco in 1963

Ireland's imports of unmanufactured tobacco in 1963 totaled 14 million pounds—about 900,000 pounds smaller than those for 1962.

Accounting for this decline were decreases in imports from the United States, to 13.1 million pounds from 14.1 million, and from the Rhodesias-Nyasaland, to 433,000 from 511,000. Imports from India and Canada increased, however, to 179,000 pounds and 145,000 pounds, respectively, from 61,000 and 69,000 in 1962.

In January 1964, Ireland raised its import duties on tobacco, which had been in effect since April 1962. The new rate on imports of unstemmed tobacco containing 10 percent or more moisture is equivalent to U.S. $7.68 per pound, compared with the previous one of $7.44.

Nyasaland's Tung Oil Exports Decline in 1963

Tung oil exports from Nyasaland totaled 1,360 short tons in 1963, down slightly from that in 1962 but 30 percent above the 1955-59 average. Major destinations for these exports have traditionally been the United Kingdom and the Republic of South Africa, with most of the remainder moving to other countries in Western Europe.

Nyasaland's 1964 crop of tung nuts is currently forecast at 4,500 short tons, or about the same as last year's. According to the Nyasaland Tung Board, harvesting, expressing, and marketing begin in April and extend to May of the following year. However, actual harvesting of tung nuts begins in late April and ends in late June.

The Colonial Development Corporation reports that experiments on new factory processes were finished in 1962 and mechanical husking and drying was brought into operation last year. Improved methods of oil extraction are being investigated.

RHODESIAS-NYASALAND: TUNG OIL EXPORTS, BY DESTINATION, 1955-59 AVERAGE, ANNUAL 1960-63

Country of destination	Average 1955-59	1960	1961	1962 [1]	1963 [1]
	Short tons	*Short tons*	*Short tons*	*Short tons*	*Short tons*
United States	202	105	—	82	—
Denmark	2	27	27	21	36
France	—	—	71	26	54
Italy	60	—	55	106	171
Netherlands	42	5	37	74	86
Norway	7	80	5	—	—
United Kingdom	400	320	244	393	365
Tanganyika	22	20	21	31	27
South Africa, Republic of	228	263	355	404	329
Hong Kong	3	—	250	—	—
India	—	—	—	86	149
Japan	60	233	156	62	23
Others	13	12	10	91	120
Total	1,039	1,065	1,231	1,376	1,360

[1] Preliminary.
Central African Statistical Office.

Pakistan's Oilseed Situation

Oilseed production in Pakistan during the 1963-64 crop year is estimated to have decreased 5 percent from the previous year, largely because of a reduction in rapeseed acreage. However, there was some increase in yields of cottonseed, rapeseed, and peanuts. A moderate rise in plantings, largely rapeseed, is expected this fall.

PAKISTAN: OILSEEDS, ACREAGE, PRODUCTION, 1962-63, 1963-64; FORECAST 1964-65 AREA

Commodity	1962-63		1963-64		1964-65
	Area	Production	Area	Production	Forecast Area
	1,000 acres	*1,000 short tons*	*1,000 acres*	*1,000 short tons*	*1,000 acres*
Cottonseed	3,272	782.9	3,300	795.2	3,300
Peanuts	40	22.4	40	22.4	41
Rapeseed	1,818	404.3	1,500	336.0	1,800
Sesame	246	41.4	240	39.2	245
Flaxseed	75	17.9	75	17.9	75
Castorbeans	8	7.8	8	8.4	8
Total	5,459	1,276.7	5,163	1,219.1	5,469

Compiled from official and other sources.

Production of edible vegetable oils in 1963-64 is estimated to be down 10 percent from 1962-63, reflecting reduced availabilities of rapeseed for crushing. This reduction will be compensated for by increased imports, chiefly soybean oil. Most of the soybean oil which in the past has been from the United States under Title I of Public Law 480, is mixed with domestically produced cottonseed oil and used in the production of hydrogenated vegetable oil (vanaspati). Vanaspati production in calendar 1963 increased to over 80,000 tons from about 70,000 tons in 1962 and less than 50,000 tons in 1961. Production this year is expected to be at about the level of that in 1963.

Domestic cottonseed oil prices in March were quoted at 70.0 rupees per mound (17.9 U.S. cents per lb.) compared with 60.6 rupees (15.5 U.S. cents) for the same period in 1963. Since no import taxes are charged on Title I oil, imported oil is comparatively cheaper than domestic oil. Pakistan's imports of edible vegetable oil under Title I of P.L. 480 in the year ending June 30,

1964, are expected to be about 130,000 tons. About 60 percent of this is allocated for West Pakistan.

EDIBLE VEGETABLE OILS, OILSEED CAKES: PAKISTAN PRODUCTION AND TRADE, 1962-63 AND 1963-64

Commodity	Production		Imports	
	1962-63	1963-64	1962-63	1963-64
	1,000 short tons	*1,000 short tons*	*1,000 short tons*	*1,000 short tons*
Edible fats and oils:				
Cottonseed [1]	34.7	33.6	7.2	5.6
Peanut [2]	1.2	1.4	—	—
Soybean [3]	—	—	85.5	131.0
Rapeseed [4]	79.5	66.1	—	—
Sesame [5]	14.6	13.8	—	—
Coconut [6]	17.9	17.9	15.3	5.4
Total	147.9	132.8	108.0	142.0
Cakes and meals: [6]			Exports	
Cottonseed	277.8	268.8	14.5	16.5
Peanut	2.2	2.5	—	—
Rapeseed	299.0	245.3	24.8	20.2
Sesame	26.9	25.4	—	—
Linseed	8.8	8.8	—	—
Castor	4.7	5.0	2.1	1.0
Others	25.7	26.9	13.0	9.9
Total	645.1	582.7	54.4	47.6

[1] Marketing year beginning Sept. 1. [2] Marketing year beginning May 1. [3] Marketing year beginning July 1. [4] Marketing year beginning April 1. [5] Marketing year beginning Oct. 1. [6] Marketing year beginning Jan. 1, of first year indicated.

Compiled from official and other sources.

Cake and meal production in calendar 1963 at about 580,000 tons declined from 650,000 tons in 1962, again reflecting reduced availabilities of rapeseed for crushing. The drop in production of cottonseed cake reflects increased use of cottonseed as cattle feed.

Exports of cakes and meals in 1963, at 47,600 tons, declined 6,800 tons from 1962 despite some increase in the movements of cottonseed cake. The decline reflected reduced exports of rapeseed cake.

Angola's Exports of Palm Products, Fishmeal, and Oils

In 1963, palm oil exports from Angola rose 11 percent to 16,732 metric tons from the 15,087 of 1962. Palm kernel exports also increased—by 55 percent to 18,001 tons, from 11,610. Shipments of palm kernel oil however, at 1,578 tons, were down 40 percent from 2,621 in 1962.

Angola's exports of fishmeal in 1963, at 27,977 metric tons, were 21 percent below the 35,592 tons shipped in 1962. Its shipments of fish oil totaled 3,122 tons of oil compared with 2,655.

Portugal Decrees Corn Oil Edible

The Portuguese Ministries of Economy and Health, according to a joint decree on March 23, 1964, have formally recognized corn germ oil as an edible oil to be used directly as such in food and cooking. Under this decree regulatory provisions governing required color, odor, taste, purity, and acidity have been established.

Under previous legislation, only olive oil and peanut oil were allowed to be used directly as edible oils, with corn germ oil used only in small proportions as one of the ingredients in margarine.

The major producers of corn germ oil, which is largely a byproduct of the "wet-milling" industry, are the United States, Italy, Brazil, the Netherlands, and Mexico. In recent years, U.S. production has accounted for about 85 percent of the world's total.

Morocco Exports More Olive Oil

In 1963, Morocco exported 9,189 short tons of edible olive oil compared with only 261 in 1962 and 481 in 1961. This—the highest level of exports since the 17,296 tons of 1957—largely reflects the increased outturn from 1962-crop olives as well as some reduction in stocks of edible olive oil during last year, when supplies were low and prices high.

Major destinations for Moroccan exports of edible olive oil in 1963 were Italy, 6,712 tons; France, 1,476; Hungary, 690; and Czechoslovakia, 223. Exports in 1964 are expected to decline sharply, probably to less than 1,000 tons, reflecting the reduced 1963-64 outturn, which is currently estimated at about 19,800 tons.

Indonesia's Exports of Copra, Palm Products

Registered exports of copra from Indonesia in January-November 1963, at 86,433 long tons, were almost one-fifth below the 106,963 tons shipped in the same period of 1962. Following the suspension of copra trade with Malaysia in late September 1963 (*Foreign Agriculture*, Oct. 21, 1963), registered exports have amounted to only 500 tons.

In the same period, Indonesia's exports of palm oil were up 12 percent to 106,951 short tons from 95,091 in 1962. Exports of palm kernels were somewhat lower, at 30,119 tons compared with 30,568 in 1962.

Greek Estimate for Production of Olive Oil Increased

Greece's 1963-64 outturn of edible olive oil is now officially estimated at 209,700 metric tons compared with the unofficial estimate of 202,700 reported in *Foreign Agriculture*, November 18, 1863. This is markedly above the 55,800 tons produced in 1962-63 and the third largest on record. In fact, it is only 8 percent below the previous record of 227,700 tons produced in 1960-61.

The increase is attributed largely to favorable weather during blooming and the period of fruit set, as well as to abundant rainfall and reduced dacus fly infestations during the latter months of the growing season. New trees are being brought into production each year in increasing numbers, thus expanding the long-term production potential.

Production of other edible oils in 1963-64, largely cottonseed oil, is estimated at an alltime record; consequently imports of cottonseed for domestic crushing in 1963-64 do not at present appear likely.

Imports of seed oils, probably soybean oil, in 1963-64 may reach 10,000 tons. This oil will be used to continue the distribution of the 50-50 blend with olive oil which has been marketed under government supervision since January 1963 in an effort to avoid increases in the cost-of-living index.

Greek olive oil exports in 1963-64 are not expected to exceed 1,000 tons compared with 6,500 in 1962-63. This decline reflects the fact that domestic prices, owing to government intervention, are significantly above international prices. On November 17, 1963, the government announced a program for the collection of 50,000 tons of olive oil through the cooperative organization "Eleourgiki." Collection prices for olive oil with 5-percent acidity were set at 16.5 to 18.5 drachmas per kilogram (27.9 U.S.

cents per lb.). For the 3 preceding years, they were 16.5 drachmas per kilogram (24.9 U.S. cents per lb.)

Domestic consumption of edible vegetable oils in 1963-64 is expected to remain at about the 1962-63 level. Olive oil again will account for about 80 percent of the total.

Edible oil stocks (largely olive oil) on October 31, 1964, are expected to exceed 100,000 tons. Additional storage facilities for 26,000 tons, being constructed in cooperation with a U.S. firm, are near completion and will be available for oil from the coming olive crop. These facilities will be used by the government for storing oil in years of abundant production. Government collection of olive oil, which through mid-March totaled 22,000 tons, reportedly is not expected to exceed 30,000 by the April 15 termination date.

GREECE: EDIBLE VEGETABLE FATS AND OILS, SUPPLY AND DISTRIBUTION, 1959-63 [1]

Item	1959	1960	1961	1962 [2]	1963 [3]
	1,000 metric tons	*1,000 metric tons*	*1,000 metric tons*	*1,000 metric tons*	*1,000 metric tons*
SUPPLY					
Stocks:					
Olive	37.0	56.0	22.0	105.0	20.0
Seed oils	7.0	1.0	11.8	9.0	17.0
Total	44.0	57.0	33.8	114.0	37.0
Production:					
Olive	159.6	79.4	227.7	55.8	209.7
Cottonseed	13.0	13.2	16.7	17.4	18.1
Other seed oils	1.0	0.8	0.6	0.6	1.0
Total	173.6	93.4	245.0	73.8	228.8
Imports:					
Olive oil	—	17.6	—	—	—
Seed oils	0.7	22.9	2.2	24.8	10.0
Total	0.7	40.5	2.2	24.8	10.0
Total supply	218.3	190.9	281.0	212.6	275.8
DISTRIBUTION					
Consumption:					
Olive oil	129.0	130.7	140.4	134.3	139.7
Seed oils	20.7	26.1	22.3	34.8	30.1
Total	149.7	156.8	162.7	169.1	169.8
Exports:					
Olive oil	11.6	0.3	4.3	6.5	1.0
Stocks:					
Olive oil	56.0	22.0	105.0	20.0	89.0
Seed oils	1.0	11.8	9.0	17.0	16.0
Total	57.0	33.8	114.0	37.0	105.0
Total distribution	218.3	190.9	281.0	212.6	275.8

[1] Marketing years beginning Nov. 1. [2] Preliminary. [3] Unofficial forecast.

Compiled from official and other sources.

Nigeria Purchases More Palm Kernels, Palm Oil

The Regional Marketing Boards in the Federation of Nigeria purchased 413,100 long tons of palm kernels in 1963, 15 percent above the 358,205 tons for 1962. Palm oil purchases by the Boards totaled 139,700 tons compared with 130,243 in 1962.

Copra and Coconut Oil Exports by Malay, Singapore

Net exports of copra and coconut oil from the Malay States and Singapore during January-November 1963 totaled 22,495 long tons, oil basis, compared with 10,169 in the same period of 1962.

Shipments of copra rose to 44,387 tons from 36,663 in January-November 1962, while imports declined to 61,780 tons from 80,101. Conversely, coconut oil exports declined to 35,494 tons from 39,477 and imports rose to 1,867 from 1,507.

Peru Extends Fishmeal Export Quota Agreement

The Peruvian Government in December 1963 ratified for another 3 years the International Fish Meal Export Quotas Agreement (*Foreign Agriculture*, April 13). Because of the rapid expansion of the fishmeal market, the Peruvian quota has been increased, to 1.2 million tons for 1964 from 1 million in 1963. In the first year of agreement, 1961, Peru was allocated a quota of 600,000 metric tons, which was increased during the year to 750,000.

According to the Peruvian National Fisheries Society exports of fishmeal in 1963 totaled 1,159,731 metric tons compared with 1,065,952 in 1962.

Iceland's Exports of Fish Oils and Meals

Iceland's exports of fish and fish liver oils in 1963 totaled 64,588 metric tons, 2 percent below the 65,805 tons for 1962. Exports of fishmeal increased nearly 50 percent to 103,862 tons from 69,476.

ICELAND: EXPORTS OF FISH OILS AND MEALS, ANNUAL 1961-63

Item	1961	1962	1963
	Metric tons	*Metric tons*	*Metric tons*
Herring oil	25,000	60,478	55,184
Redfish oil	981	15	754
Cod liver oil	5,949	5,312	8,650
Total	31,930	65,805	64,588
Herring meal	37,583	48,489	76,583
Redfish meal	3,735	437	4,028
Fishmeal	28,693	20,230	22,809
Liver meal	345	320	442
Total	70,356	69,476	103,862

Compiled from official sources.

Denmark's Coffee Imports at Record High

Denmark's imports of green coffee in 1963 set a new record of 882,561 bags (of 132.2 lb. each)—nearly 16 percent greater than imports in 1962. This put per capita imports at 24.9 pounds compared with 21.5 in 1962.

Zanzibar Exports More Cloves

Exports of cloves from Zanzibar, world's largest producer, totaled 25 million pounds during 1963, 46 percent above those in the previous year. This gain was due primarily to increased buying by Indonesia, major clove consumer. Indonesia's share of the 1963 exports was 11.1 million pounds or 44 percent of the total, compared with only 1.1 million in 1962.

Shipments to Pakistan, Belgium, and the United Kingdom were also larger, but exports to Malaysia, India, the United States, and West Germany were down sharply, as illustrated in the following table:

	Mil. lb.	*Mil. lb.*
Indonesia	1.1	11.1
Malaysia	4.7	2.9
Pakistan	1.5	2.7
India	2.3	1.0
Belgium	.5	.8
United Kingdom	.4	.5
United States	1.2	.4
West Germany	1.0	.4
Others	4.4	5.2
Total	17.1	25.0

Ghana Increases Coffee Prices to Producer

The Ghana Marketing Board has announced an increase in the price paid to farmers for coffee. Since March 2, it has been paying 60 shillings per 60 pounds of standard-grade coffee, or 14 cents per pound. This 12-shilling ($1.68) increase over the former price apparently reflects higher world prices for coffee. In 1962, Ghana exported 63,956 bags (of 132.3 lb. each) of coffee valued at £418,-055 (U.S. $1,170,554). Exports in the first 10 months of 1963 totaled 43,450 bags, valued at £252,762 (U.S. $707,-734).

El Salvador Prices for 1964-65 Coffee

The Salvadoran Coffee Company of El Salvador announced on March 10 the prices it would pay growers for coffee from the 1964-65 crop. Purchase prices for the three principal types of pergamino coffee delivered to the mills of the company were as follows: Central Standard, 9 colones per quintal (46 kgs.) of green coffee (35.5 cents per lb.); Medium Highgrown, 92 colones (36.3 cents); Strictly Highgrown, 95 colones (37.5 cents). These average about 10 cents per pound higher than the first prices, announced for the 1963-64 crop a year ago.

Private exporters are reportedly ready to buy coffee from producers at the same levels as those announced by the Salvadoran Coffee Company.

Guatemala Lifts Essential Oils Export Tax

The Guatemalan Government has decided that its export taxes on essential oils, have been detrimental to production; it has therefore abolished them.

These levies, imposed in July 1963, were 10 percent on the excess received over the f.o.b. prices of 80 cents per pound for lemongrass oil and 60 cents for citronella oil. Guatemala is a major source of U.S. imports of lemongrass and citronella oils.

Philippine Ramie and Kapok Production Up

Philippine production of ramie in 1962-63 amounted to 11.4 million pounds compared with 8.9 million in 1961-62 and 9.6 million in 1960-61. Harvested acreage was 8,200 acres against 6,400 in 1961-62 and 4,900 in 1960-61.

Kapok production increased to 4 million pounds from 3.3 million in 1961-62 but was below the 1960-61 level of 4.6 million. Harvested acreage, at 6,400 acres, was the same as in the preceding year and somewhat more than the 5,700 acres for 1960-61. Practically all of the kapok is used domestically.

Most of the ramie was exported in prior years, but a large carryover was reported at the end of June 1963.

U.S. Cotton Exports Continue Strong

U.S. exports of all types of cotton amounted to 3,306,-000 running bales in the first 7 months (August-February) of the current season. This figure is 76 percent above the 1,874,000 bales exported in the same 1962-63 period and 12 percent above the average of 2,961,000 bales for this period of the previous five seasons.

Exports in February were 569,517 bales, compared with 587,125 in January and 522,195 in February of 1963.

Registrations for export in the 1963-64 season under the competitive bid sales program through April 6, including sales of "irregular" cotton and payment-in-kind export registrations, totaled 4,495,085 bales compared with payment-in-kind registrations of 2,825,587 bales a year ago.

COTTON: U.S. EXPORTS BY COUNTRY OF DESTINATION, AUG. 1963 TO FEB. 1964, WITH COMPARISONS

Destination	Year beginning August 1 Average 1955-59	1961	1962	Aug.-Feb. 1962	Aug.-Feb. 1963
	1,000 running bales	*1,000 running bales*	*1,000 running bales*	*1,000 running bales*	*1,000 running bales*
Austria	33	33	13	9	11
Belgium & Lux.	160	100	72	49	98
Denmark	17	13	13	9	7
Finland	22	21	13	10	8
France	360	300	180	110	264
Germany, West	475	204	101	67	313
Italy	416	376	192	145	256
Netherlands	124	106	71	52	96
Norway	10	13	10	6	10
Poland & Danzig	85	139	62	7	46
Portugal	28	18	7	4	16
Spain	171	155	[1]	[1]	3
Sweden	75	99	56	37	67
Switzerland	64	75	37	30	70
United Kingdom	525	270	139	99	173
Yugoslavia	108	175	113	62	4
Other Europe	17	9	3	3	6
Total Europe	2,690	2,106	1,082	699	1,448
Australia	54	64	41	20	50
Canada	217	397	271	151	230
Chile	35	12	24	6	1
Colombia	33	1	1	[1]	7
Cuba	27	0	0	0	0
Ethiopia	4	13	15	14	8
Hong Kong	134	104	79	40	108
India	184	215	198	59	152
Indonesia	30	46	51	27	20
Israel	16	10	7	3	9
Japan	1,154	1,028	895	523	784
Korea, Rep. of	205	300	236	109	184
Morocco	10	14	8	5	10
Pakistan	14	39	8	[1]	[1]
Philippines	64	142	108	67	68
South Africa, Rep. of	26	52	19	10	20
Taiwan (Formosa)	153	256	223	87	114
Thailand	4	30	22	14	25
Uruguay	15	11	0	0	[1]
Venezuela	2	16	5	4	11
Vietnam [2]	2	30	36	29	42
Other countries	27	27	22	7	15
Total	5,100	4,913	3,351	1,874	3,306

[1] Less than 500 bales. [2] Indochina prior to 1958. Includes Laos and Cambodia.

Germany Issues Import Tender for Beef Variety Meats

On March 25, 1964, the German Foreign Trade Agency published import tenders for frozen beef livers and beef hearts from the United States and Canada. Import licenses will be valid for 60 days, but none will be valid after June 30, 1964.

The tender for beef livers is an extension of the previous one published September 13, 1963, while the one for beef hearts is the first tender issued for this commodity. Other beef items from the United States are not allowed entry, owing to the dollar allocation system.

The Common Agricultural Policy on beef, which was to become effective July 1, may not actually come into effect until fall or even later. The complexity of the regulation plus the current beef shortages have removed the urgency for its implementation. Under the beef CAP, the duty rate for frozen variety meats will be a flat ad valorem figure of no more than 20 percent.

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WASHINGTON, D. C. 20250

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NOTE. In the April 13 issue of FOREIGN AGRICULTURE, page 4, fourth line, the figure "$8.68 million" should read $86.8 million.